



ANNUAL REPORT & ACCOUNTS

2023 – 2024

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Introduction

The Directors, who are the Trustees of Guild Care present their annual report and the accounts for the year ended 31 March 2024.

The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of The Housing SORP 2018 Statement of Recommended Practice for Social Landlords and The Accounting Direction for Private Registered Providers of Social Housing 2022.

Who's Who

Patrons

Tim Loughton MP

Derek Ridley

Trustees

Peter Kinsey (Chair)

Appointed to the Board of Trustees in March 2022. Peter worked in health and social care for 36 years prior to his retirement. His career included roles as a Director in the NHS, a local authority commissioner and, for the last 15 years, CEO of a national care provider supporting people with learning disabilities. Peter now works as a consultant advising organisations in health and social care and a coach for senior managers in addition to supporting several local charities. Peter has an MBA, an MA in the Management of Community Care and is an NLP Master Practitioner. Peter was appointed Chair in September 2022.

Charles Guy Clinch (Deputy Chair)

Appointed to the Board of Trustees in September 2016. Guy is a chartered accountant. He served as Chair of the Board of Trustees for St Barnabas Hospices for 10 years. Guy was appointed Deputy Chair in March 2020.

Mark Davis

Appointed to the Board of Trustees in May 2016. Following a career of over 30 years in the financial services sector, Mark has now taken early retirement. His background includes significant experience in customer services roles, business change and business re-engineering, and IT consultancy at a senior management level. Originally from Newcastle upon Tyne, Mark has been a resident of Worthing for the past 35 years.

Bimal Desai

Appointed to the Board of Trustees in December 2020. Bimal is a solicitor and was a partner in a global law firm for over 22 years, based first in London and then in Dubai and Singapore. He has a keen interest in social care development and policy and enjoys tennis and sailing.

Eileen Houghton

Appointed to the Board of Trustees in November 2017. Eileen is a Chartered Accountant and was a partner at Carpenter Box, accountants specialising in the charity and not for profit sector. She has held several voluntary positions, including a brief time working with a charity in Ghana. She also comes from a nursing family, with both parents being trained nurses; in fact, her mother was matron at Guild Care homes in the 1980's/90's.

Rita Protopapa

Appointed to the Board of Trustees in June 2018. Rita is qualified in Business Administration and developed a career within the private and public sectors. Rita loves outdoor life, reading, and travelling and has an interest in disabilities and long-term conditions.

Tracey Wadey

Tracey is an experienced Registered Nurse, with a career spanning over 30 years within health and social care settings. She has extensive knowledge of Regulated services and a passion for truly person-centred care and quality service provision, with experience in both managerial and educational roles. Tracey currently works as Director of nursing and quality for an independent provider of health and social care. Having always lived in Worthing, Tracey feels passionate about supporting Guild Care as a local charity.

Nichola Evans

Appointed November 2023

Nikki Evans joined the Board of Trustees in November 2023 and brings a wealth of experience and skill from her career in healthcare management. Nikki has an HR background originally but then held many senior roles in the NHS before moving into the private healthcare sector and is currently the Executive Director of Goring Hall Hospital.

Structure, Governance, and Management

Guild Care is a charitable company limited by guarantee and regulated by the Regulator of Social Housing Regulator. The company was established under a Memorandum of Association which set out the objects and powers of the charitable company and it is governed under its Articles of Association.

Guild Care has considered the National Housing Federation Code of Governance 2020 and has complied with the code during the year. Guild Care undertakes an annual assessment of compliance with the Governance and Financial Viability Standard and considers it is fully compliant with the provisions of the standard.

The Board of Trustees sets the strategic direction of the charity and is responsible for its governance. Day to day operational responsibility is delegated to the Chief Executive. The charity has in place a governance manual that sets out the parameters for the delegation of responsibility and this is reviewed on an annual basis.

Trustees hold regular Board meetings and receive copies of monthly management accounts, quarterly KPIs, and reports on performance and sector developments. Annually two meetings are set aside specifically for strategic planning and development purposes.

Within the year the Board operates regular Organisational Development (OD) Committee meetings which support the Trustees' decision-making. The purpose of the OD Committee is to oversee a forward-looking programme of OD in respect of Guild Care's strategy and is required to oversee, monitor and review finance, retail, fundraising, human resources and infrastructure (property, systems, processes, governance, finance support).

Trustees continue to be recruited through an open process. New Trustees undergo a full induction programme, and all Trustees are regularly provided with opportunities to visit services where they can talk to staff members and users of our services. Guild Care annually reviews the skills mix of the Board and operates a succession planning process.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 of the accounts.

Guild Care operates a fully inclusive recruitment policy with appointments based solely on aptitude and ability. We are also fully committed to the continuing employment and development of any person who becomes disabled whilst within our employment.

Charity number: 1044658

Company number: 03021390

Housing and Community Number: LH4106

Principal address and registered office: Methold House, North Street, Worthing, West Sussex, BN11 1DU

Auditor, Crowe UK: Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Solicitors, Griffith Smith LLP: 47 Old Steyne, Brighton, East Sussex, BN1 1NW

Senior Leadership Team

Alex Brooks-Johnson – Chief Executive

Warren Fabes – Deputy Chief Executive and Chief Financial Officer

Kevin Burke – Director of Care Homes

Claire Howell – Director of Community Services (Left November 2023)

Leanne Jones – Director of HR

Leszek Poplawski – Director of Safety & Compliance

Adam Rider – Director of Retail & Home Care

Bernadette Dawes – Director of Community Services (Joined July 2023, Left January 2024)

Principal Risks and Uncertainties

Guild Care has in place a risk register and risk management process which enables Trustees to monitor key risks of the organisation on a regular basis.

The key risks identified are:

- Occupancy and resident mix in our care homes do not align to the budget, leading to Guild Care not being able to generate enough income to sustain the work of the charity.
- A serious safeguarding incident or multiple incidents that lead to an overarching adult safeguarding review affecting the whole organisation which, if deemed appropriate, could result in suspension or closure of services.
- National staffing shortages affect our ability to sustain our care services.
- Guild Care fails to implement adequate health and safety controls or keep its premises safe, which could result in a risk to health, serious injury or death of a service user, staff member, or the public.

Internal risks are mitigated through a performance management system that provides early identification of issues and the development of corrective actions plans. Procedures are also in place to promote the health and safety of staff, volunteers, residents, tenants, customers and visitors to all Guild Care sites. Our quality assurance framework has been developed in line with our main regulator's requirements (Care Quality Commission) to ensure the consistent quality and delivery of all operational aspects of the charity. All systems are periodically reviewed to ensure they continue to meet the needs of the charity.

During the last financial year, one of our regulated services was inspected by the CQC. Caer Gwent returned a rating of Requires Improvement and the overall rating remained unchanged despite all

previous issues being addressed and the report identifying significant improvements during a challenging period due to the Covid pandemic. We challenged the findings with the Ombudsman due to the fact that we felt the overall rating was disproportionate with the findings of the inspection and due to a failure to follow their own process at the factual accuracy challenge. Unfortunately, our appeal was rejected and we followed up in the strongest possible terms. We have continued to perform mock inspections from which the service is rated as Good and we have asked the Commission to return as soon as possible in order to ensure that the rating of the service accurately reflects the quality of the lived experience. Our service is rated 9.9 on the leading care home review website.

Message from the Chair

Following my first full year as Chair of the Board of Trustees at Guild Care, I am delighted to report on what has been a very successful period for this incredible organisation.

I have spent over 30 years in social care and remain incredibly impressed with what I see at Guild Care in the dedication and expertise of the people and the way the organisation responds to the needs of both the individuals we support and the wider community of which we are a part.

You will see in this report that the organisation has recovered well post Covid, we have created and implemented a robust strategy focussed on delivering the maximum possible social impact and social value; reducing social isolation and stigmas for the people we work to care for and support, namely older people, those living with dementia and people of all ages with a learning disability.

It is with great sadness though that we have had to take the agonising decision to close Dolphin Court, a much-loved housing scheme which has been a part of Guild Care and the community of Worthing for decades. The building has become too expensive for us to maintain, and we believe that current and future tenants would be better off in more modern accommodation. We explored a number of different options and worked with tenants and the community to try and find a solution but none was forthcoming. We are committed to seeking alternative housing for the tenants and hope to somehow maintain the community spirit of Dolphin Court through our Creating Connections service.

The Creating Connections service has gone from strength to strength in our fight against social isolation in older people in Worthing. Membership numbers, outcomes and impact have all been increasing as we grow and develop the service to address the need in the local community as more and more older people face isolation and loneliness, and disconnection from vital support and services.

Social care continues to be under immense financial strain, not helped by the shelving of possible reforms outlined in the 2022 'People at the Heart of Care' white paper and subsequent low profile in Government budgets and plans. We were invited to contribute to the national debate with the Department for Health and Social Care and receive an increasing amount of recognition for our work particularly on social impact and will strive to outline where we feel we see discrepancies and inequality in the system.

In the past year we have welcomed a new Trustee to the Board. Goring Hall Hospital's Managing Director, Nikki Evans, who brings a wealth of strategic and operational healthcare experience. Nikki joins an already skilled and expert team of Trustees; all dedicated and passionate volunteers and I would like to take the opportunity to thank them all.

I would also like to show my appreciation to all the hard-working and committed members of the Guild Care family – employees, volunteers, and supporters as we forge ahead, stronger than ever, resolved as we are to combatting social isolation and social stigma in Worthing ensuring that nobody feels isolated.

Chair of the Board of Trustees, Peter Kinsey.

Message from the CEO

I am so pleased to be able to tell you that in the past year, we have exceeded expectations in almost every area of the organisation. The most important metric of course is our social impact measure and we know that for older people, people living with dementia, people with learning disabilities and their carers we have actually reduced social isolation. Our results also tell us that we have increased happiness and wellbeing across our services to and that where we are investing our own charitable funds or using state funding, we are able to demonstrate a very healthy return on that investment in social value.

Social value creation is arguably why Guild Care exists. It is arguably why any charity, social enterprise, or non-profit organisation, exists. It is the definition of our social purpose, our reason for being, and one which we hold very dear to our hearts. The fact that we are able to articulate and evidence this impact enables us to understand the change we are making in Worthing. We can calculate the reduction in social isolation and the social return on investment for the services and support we provide.

There are thousands of older people in Worthing who are living in chronic isolation; disconnected from the help and support they may need. But social isolation is not unique to older people. Younger people with a Learning Disability, for example, are also facing life with fewer and fewer options as funding and services are stretched across the County. Reports indicate growing isolation and less and less time spent outside their home. Everyone should be able to live the life they want, and certainly should be able to participate in every-day activities such as working, having fun, socialising and being part of your community. Guild Care believes that everyone in need of care should be able to live a safe, fulfilling, and secure life and with pressures on public services like never before, we are really facing a significant challenge to ensure this vision becomes a reality.

Our ability to deliver on our vision depends almost entirely on our community to support us. Our retail team, who never cease to amaze us all, have delivered another year of astonishing results enabling us to deliver more support to more people than ever before. Our fundraising team are going through some changes again but now with a renewed energy and passion to facilitate the change we need to see in Worthing, and we continue to be supported by some very generous and committed local people.

Guild Care is Worthing's charity. We have been here for over 90 years and my role is really a temporary custodian of this magnificent organisation which has been created by and with the spirit of Worthing at its heart. While occasionally we must take tough decisions like the one to close Dolphin Court, which is ultimately in the best interests of Guild Care and to protect our ability to provide services to our community, most of my time has seen ongoing improvements and growth in our charitable delivery. It is a privilege to lead Guild Care and be part of this period of our amazing history as we create the changes that are needed for the future.

Thank you to everyone that helps us to make it all happen.

CEO, Alex Brooks-Johnson.

Strategic Performance and Objectives

The organisation is 2 years into a 5-year strategy and works towards 12 strategic goals outlined in a strategy map, created collaboratively across the organisation and with the Board of Trustees. Each goal is delivered through one of ten plans, led by the Senior Leadership Team and in two groups reflecting the governance structure where specific committees oversee progress against the strategic plans.

The main achievements in 2023/24 in our strategic delivery include the improvements in our care homes occupancy, expansion and financial contribution from our retail function, social impact measurement in our community services and success in our overseas recruitment which has alleviated the pressure on our care services.

Key objectives for next year are to improve fundraising performance, maintain occupancy in our care homes and grow our Creating Connections service which aims to reduce social isolation services in older people in Worthing.

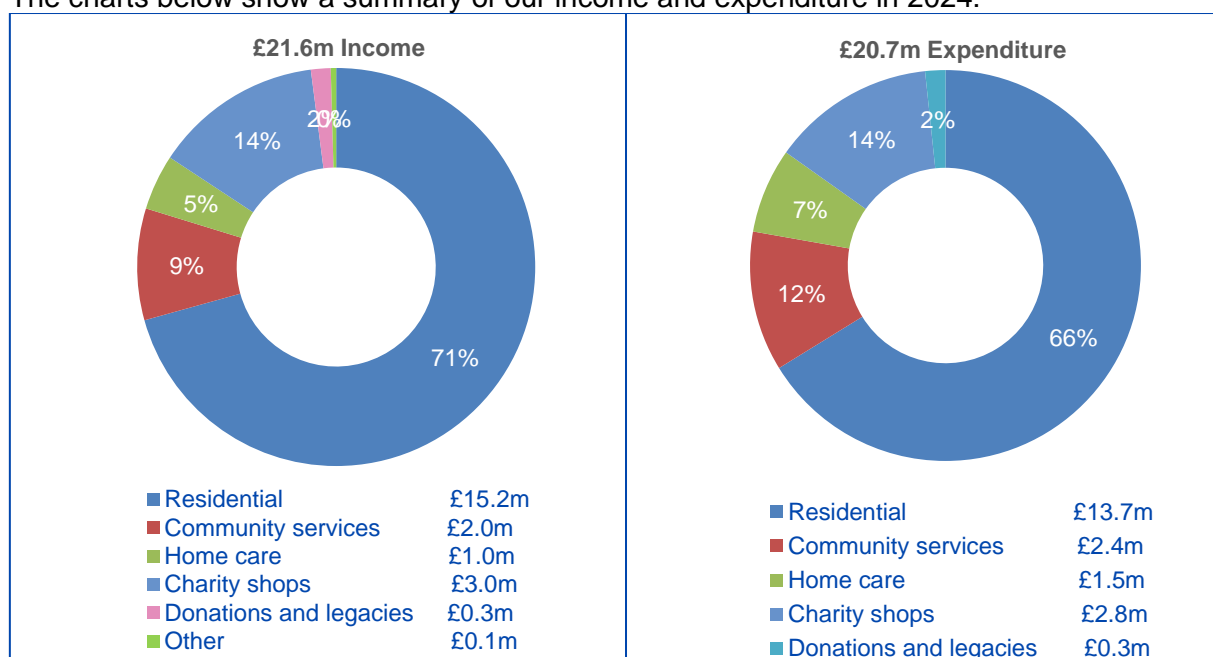
Financial Review of This Year

Summary

Total income for the year was £21,563,899 (2023: £18,201,446) which produced a surplus of £884,769 (2023: deficit of £346,623).

The 2024 year has seen an increase of £3,362,453 in our total income from 2023 of £18,201,446 to the 2024 income of £21,563,899.

The charts below show a summary of our income and expenditure in 2024:



Staff costs increased to £13,653,803 (2023: £12,746,097) and overall support costs relating to charitable activities decreased to £2,146,039 (2023: £2,226,788).

Guild Care's performance improved significantly compared to the 2023 year principally due to the care homes occupancy returning to pre-Covid levels and significant reduction in care home agency costs following the introduction of overseas workers and sponsored visa workers.

Overall funds were £9,096,162 (2023: £8,212,367) at year end.

Bank loans as at 31st March 2024 decreased to £7,698,738 (2023: £8,125,031).

Cash balances as at 31st March 2024 increased to £3,234,535 (2023: £2,676,564).

Raising Funds

Donations & Legacies

Total donations & legacy income was £345,748 (2023: £536,658) which included legacies of £109,344 (2023: £222,400) giving a surplus of £472 (2023: £243,373 surplus) when taking into account the cost of raising funds. Total donations and legacies included £150,241 (2023: £206,080) of restricted income.

Charity Shops

Total charity shop income of £2,952,706 (2023: £2,102,967) were generated across 14 shops which produced a surplus of £155,941 (2023: £265,421) after overheads.

In previous years, the sale of new bought in goods was recorded in Guild Care's subsidiary, Guild Care (Trading) Limited. The retail strategy has been to significantly grow the sale of donated goods generating a healthy surplus for the charity whilst reducing the sale of lower margin new bought in goods by Guild Care (Trading) Limited. As at 31st March 2024, Guild Care (Trading) Limited was a dormant subsidiary of Guild Care. Guild Care (Trading) Limited recorded turnover of £NIL (2023: £13,595) for the year and generated a Nil surplus (2023: £2,474 deficit).

It should be noted that the purpose of our charity shops is to provide more than a financial return as they are an essential shop window promoting Guild Care within the local community.

Charitable Activities

Residential Services

Residential services income was £15,242,750 (2023: £12,677,280) giving a surplus of £1,540,302 (2023: £148,454 deficit). This income and surplus have been reduced by £1,765,048 (2023: £1,632,870) to fund residents at below full market rate fees including the provision of state funded beds within our homes. Continued investment in our homes is essential to ensure we generate a surplus allowing us to maintain financial stability and continue achieving our charitable objectives.

Home Care

Home Care income was £973,019 (2023: £909,246) giving a deficit of £481,846 (2023: £286,289) whilst income grew the increase in staffing cost was more significant. Following a strategic review, Guild Care has developed a plan to significantly grow Home Care income over the next three years. This plan will involve investment in staff, technology and buildings and should return Home Care to a surplus.

Community Services

Income from Community Services for the year was of £1,955,718 (2023: £1,917,547) giving a deficit of £439,345 (2023: £310,464 deficit) after support costs. These services are significant source of public benefit for the charity and are operated at net cost.

Value for Money

The Board of Guild Care has put in place arrangements to ensure that the financial and social performance of our assets and resources are closely monitored and benchmarked and inform our decision making and strategy. Our strategic approach to value for money runs throughout the organisation. The Board approve business plans, budgets and KPIs. This supports the delivery of value for money and enables the Senior Leadership Team to monitor and report on progress throughout the year. This approach will ensure that as the organisation grows, we will continue to provide value for money throughout our operations.

The table below shows the Value for Money Metrics as required by the regulator of social housing in relation to social housing provision. Our social housing activity relates to Dolphin Court (See Note 23 of the accounts) which has had no capital movements in the year.

| Housing Metrics | 2024 | 2023 |
|--|---------------|-------------|
| Metric 1 - Re-investment % | 0% | 0% |
| Metric 2 - New supply delivered % | 0% | 0% |
| Metric 3 - Gearing % * | 0% | 0% |
| Metric 4 - EBITDA MRI Interest Cover % | 431% | 251% |
| Metric 5 - Social housing cost per unit | 17,352 | 11,491 |
| Metric 6 - Operating Margin % | 6% | 1% |
| Metric 6b - Operating Margin % - Dolphin | (86%) | (32%) |
| Metric 7 - VfM Cost Chain | 10% | 1% |

*Although Guild Care has loan financing, these loans are not used to fund social housing activity, nor are any of the loans secured on our social housing property, the loan value used within this calculation is therefore nil.

Bank Funding

Clydesdale Bank provides Guild Care with long-term loans totalling £7,698,738 (2023: £8,125,031) at year end.

During the year £426,293 (2023: £393,569) of scheduled loan repayments were made in-line with agreed repayment terms.

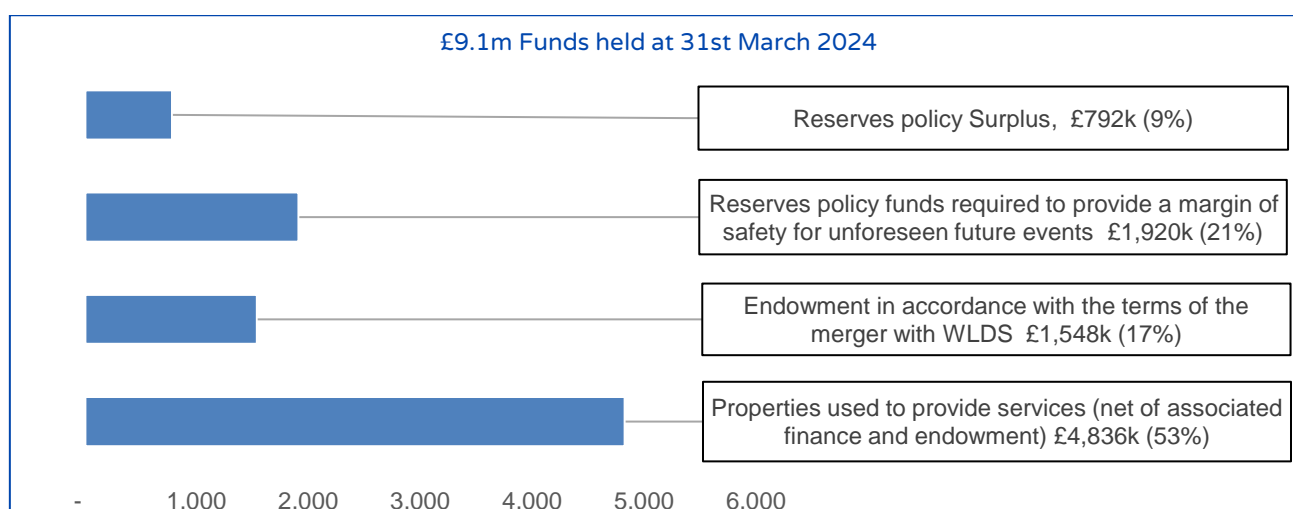
Guild Care has loans amounting to £4,103,588 which will need to be re-financed on 25th November 2024. The bank has provided terms to re-finance these loans which have been agreed with board. The re-financing process is expected to be completed shortly.

Reserves Policy

Guild Care's reserves policy is to hold free reserves in the range between the budgeted running cost of the charity's highest surplus generating service for a period of three months and one month of the total budgeted running costs for the entire charity.

Free reserves are unrestricted funds arising from short-term debtors and creditors (excluding bank loans), highly liquid investments, and readily available cash balances.

As at 31st March 2024, Guild Care has £9,096,162 (2023 £8,212,367) funds of which:



The Trustees ordinarily target that the charity's reserves policy surplus should not exceed 20% of the safe level of funds.

At 31st March 2024 the charity's reserves policy surplus was £791,608 (2023: £517,068) representing 41% (2023: 31%) of the safe level of funds.

Going Concern

Principal risks include those around the group's access to finance, occupancy and staffing levels within the homes. The group has in place debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the group's day to day operations. The group also has a long-term business plan and a detailed rolling financial forecast which shows that Guild Care can service these debt facilities whilst continuing to comply with lenders' covenants for the foreseeable future (being 12 months from the date of signing the financial statements).

The group had a net current liability position at 31st March 2024 of £1,551,022 due to the scheduled re-financing of loans on 25th November 2024. The bank has provided terms to re-finance these loans which have been agreed with board. The re-financing process is expected to be completed shortly.

This year Trustees have considered the performance during the foreseeable future of the next twelve months from the date of signing the financial statements.

The assets of the group have a market value significantly greater than the book value and with a loan to value ratio being only 20% on 31st March 2024 (2023: 21%). Based upon the strong financial performance of Guild Care and the availability of security, the Trustees believe that the group would be able to take mitigating actions, borrow further funds and/or dispose of assets in the unlikely event that these were needed in the short-term.

Having considered the availability of finance, risks facing the sector and plans including budgets and forecasts, the Trustees are satisfied with the level of reserves and have concluded that Guild Care is a going concern over the foreseeable future. On the basis that Trustees do not believe there is a material uncertainty over the going concern of Guild Care, the financial statements have been prepared on the going concern basis.

Statement of disclosure of information to Auditors

So far as each of the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee

has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Trustees' Responsibilities

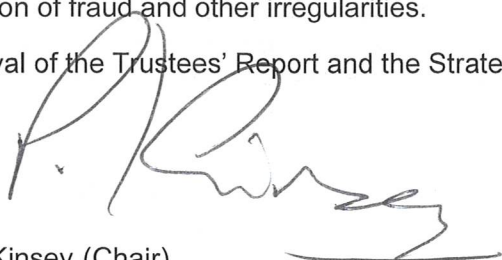
The Trustees, who are also the Directors of Guild Care for the purpose of company law, are responsible for preparing the Trustees' Report (including the Strategic Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for the group each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these accounts, the Trustees are required to:

- ✓ select suitable accounting policies and then apply them consistently;
- ✓ observe the methods and principles of the housing SORP;
- ✓ make judgments and estimates that are reasonable and prudent;
- ✓ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ✓ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval of the Trustees' Report and the Strategic Report by the Board on 12 August 2024.



Peter Kinsey (Chair)
Trustee

Independent Auditor's Report to the Members of Guild Care

Opinion

We have audited the financial statements of Guild Care (the 'charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Reserves, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Charitable Company affairs as at 31 March 2024 and of the Group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from April 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the Trustees annual report incorporating the strategic report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that

fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 15, the Trustees (who are also the directors of Guild Care for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members.

We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and other laws and regulation applicable to a registered social housing provider in England. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing and the Care Quality Commission (CQC), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Organisational Development Committee about their own identification and assessment of the risks of irregularities, sample testing on income and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, designing audit procedures over the timing of income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

[Use of our report](#)

This report is made solely to Guild Care's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to Guild Care's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Guild Care and Guild Care's members as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Poulter
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP, Statutory Auditor
55 Ludgate Hill
London EC4M 7JW

Date: 14 August 2024

Consolidated Statement of Financial Activities

| | Notes | Unrestricted £ | Restricted £ | Endowment | Total 2024 £ | Total 2023 £ |
|---|-------|-------------------|-----------------|------------------|--------------------|--------------------|
| Income from: | | | | | | |
| Raising funds | | | | | | |
| Donations and legacies | 3 | 195,507 | 150,241 | | 345,748 | 536,658 |
| Charity shops income | 4 | 2,952,706 | | | 2,952,706 | 2,102,967 |
| Total Raising funds | | 3,148,213 | 150,241 | - | 3,298,454 | 2,639,625 |
| Charitable activities | 5 | 17,931,739 | 239,748 | | 18,171,487 | 15,504,073 |
| Investment income | | 73,668 | | | 73,668 | 37,438 |
| Other income | | 20,290 | | | 20,290 | 20,310 |
| Surplus/(loss) on sale of tangible fixed assets | | | | | | - |
| Total income | | 21,173,910 | 389,989 | - | 21,563,899 | 18,201,446 |
| Expenditure on: | | | | | | |
| Raising funds | | | | | | |
| Donations and legacies | | 345,276 | | | 345,276 | 293,285 |
| Charity shops income | | 2,796,765 | | | 2,796,765 | 1,837,546 |
| Total Raising funds | | 3,142,041 | - | - | 3,142,041 | 2,130,831 |
| Charitable activities | | 17,162,387 | 389,989 | | 17,552,376 | 16,249,280 |
| Restructuring costs | | (15,287) | | | (15,287) | 167,958 |
| Total expenditure | 6 | 20,289,141 | 389,989 | - | 20,679,130 | 18,548,069 |
| Net income/(expenditure) | | 884,769 | - | - | 884,769 | (346,623) |
| Other gains / (losses) | | | | | | |
| Actuarial gains / (losses) on pension scheme | | (974) | | | (974) | (74) |
| Transfers between funds | | 309,662 | - | (309,662) | - | |
| Net movement in funds | | 1,193,457 | - | (309,662) | 883,795 | (346,697) |
| Fund balances brought forward | | 6,354,393 | - | 1,857,974 | 8,212,367 | 8,559,064 |
| Fund balances carried forward | | 7,547,850 | - | 1,548,312 | 9,096,162 | 8,212,367 |

The Statement of Financial Activities has been prepared using the format from the Charities SORP. The Statement of Financial Activities has been presented in addition to the Statement of Comprehensive Income required by the Housing SORP.

Total comprehensive income for the company only was £883,795 (2023: total comprehensive income (£346,697)).

Consolidated Statement of Comprehensive Income

| | 2024 £ | 2023 £ |
|--|-------------------|--------------|
| Turnover | 21,490,231 | 18,164,008 |
| Operating costs | (20,216,573) | (17,999,565) |
| Operating surplus / (deficit) | 1,273,658 | 164,443 |
| Restructuring costs | 15,287 | (167,958) |
| Gain on disposal of fixed assets | - | - |
| Interest receivable and similar income | 73,668 | 37,438 |
| Interest and financing costs | (477,844) | (380,546) |
| Surplus / (deficit) for year | 884,769 | (346,623) |
| Actuarial gain / (loss) in respect of pension scheme | (974) | (74) |
| Total comprehensive income / (expenditure) | 883,795 | (346,697) |

Consolidated Statement of Changes in Reserves

| | Unrestricted Reserve £'000 | Restricted Reserve £'000 | Endowment £'000 | Total £'000 |
|---|----------------------------------|--------------------------------|--------------------|------------------|
| Balance as at 1 April 2022 | 6,391,428 | - | 2,167,636 | 8,559,064 |
| Total comprehensive income for the year | (346,697) | - | - | (346,697) |
| Transfer of restricted expenditure from unrestricted reserves | 309,662 | - | (309,662) | - |
| Balance at 31st March 2023 | 6,354,393 | - | 1,857,974 | 8,212,367 |
| Total comprehensive income for the year | 883,795 | - | - | 883,795 |
| Transfer of restricted expenditure from unrestricted reserve | 309,662 | - | (309,662) | - |
| Balance at 31st March 2024 | 7,547,850 | - | 1,548,312 | 9,096,162 |

In March 2024, Guild Care decided to close the Dolphin Court sheltered housing scheme which will become a discontinued activity.

Balance Sheet

| | Notes | Group 2024 £ | Charity 2024 £ | Group 2023 £ | Charity 2023 £ |
|---|-------|--------------------|----------------------|--------------------|----------------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | 14,496,015 | 14,496,015 | 14,582,998 | 14,582,998 |
| Investments | 13 | - | 100 | - | 100 |
| | | <u>14,496,015</u> | <u>14,496,115</u> | <u>14,582,998</u> | <u>14,583,098</u> |
| Current assets | | | | | |
| Stocks | | - | - | 5,088 | - |
| Debtors | 14 | 1,452,691 | 1,482,147 | 1,398,014 | 1,432,558 |
| Cash and cash equivalents | 15 | 3,234,535 | 3,217,223 | 2,676,564 | 2,659,252 |
| | | <u>4,687,226</u> | <u>4,699,370</u> | <u>4,079,666</u> | <u>4,091,810</u> |
| Creditors: amounts falling due within one year | 16 | (6,238,248) | (6,238,248) | (2,317,370) | (2,317,370) |
| Net current assets/(liabilities) | | (1,551,022) | (1,538,878) | 1,762,296 | 1,774,440 |
| Total assets less current liabilities | | 12,944,993 | 12,957,237 | 16,345,294 | 16,357,538 |
| Creditors: amounts falling due after more than one year | 17 | (3,618,263) | (3,618,263) | (7,911,433) | (7,911,433) |
| Pension liability | 18 | (11,788) | (11,788) | (25,236) | (25,236) |
| Provision for liabilities | 19 | (218,780) | (218,780) | (196,258) | (196,258) |
| Net assets | | <u>9,096,162</u> | <u>9,108,406</u> | <u>8,212,367</u> | <u>8,224,611</u> |
| Reserves | | | | | |
| Endowed reserve | 20 | 1,548,312 | 1,548,312 | 1,857,974 | 1,857,974 |
| Unrestricted reserve | 20 | 7,547,850 | 7,560,094 | 6,354,393 | 6,366,637 |
| | | <u>9,096,162</u> | <u>9,108,406</u> | <u>8,212,367</u> | <u>8,224,611</u> |

The accounts were approved and authorised for issue by the Board on 12 August 2024.


Peter Kinsey (Chair)
Trustee

Statement of Cash Flows

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Cash flows from operating activities: | | |
| Net income / (expenditure) for the year | 883,795 | (346,697) |
| Adjustments for: | | |
| Interest received | (73,668) | (37,438) |
| Depreciation | 713,250 | 753,070 |
| Decrease / (increase) in stock | 5,088 | (2,937) |
| Decrease / (increase) in debtors | (54,677) | (530,552) |
| (Decrease) in creditors | 54,001 | 436,574 |
| (Decrease) in pension provision | (13,448) | (14,348) |
| Increase in other provision | 22,522 | 196,258 |
| Net cash provided by / (used in) operating activities | 1,536,863 | 453,930 |
| Cash flows from investing activities: | | |
| Interest received | 73,668 | 37,438 |
| Purchase of tangible fixed assets | (626,267) | (390,350) |
| Net cash used in investing activities | (552,599) | (352,912) |
| Cash flows from financing activities: | | |
| Cash inflows from new borrowings | | 3,745,000 |
| Repayment of borrowings | (426,293) | (4,376,514) |
| Net cash used in financing activities | (426,293) | (631,514) |
| Change in cash and cash equivalents in the reporting period | 557,971 | (530,496) |
| Cash and cash equivalents at the beginning of the reporting period | 2,676,564 | 3,207,060 |
| Cash and cash equivalents at the end of the reporting period | 3,234,535 | 2,676,564 |

Notes to the Accounts

1 Statutory information

Guild Care is a charitable company, limited by guarantee, registered in England and Wales and is a registered provider. The charitable company's registered number and registered office address can be found in the Trustees' Report (incorporating the Strategic Report).

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, The Accounting Direction for Private Registered Providers of Social Housing from April 2022, the Statement of Recommended Practice for Registered Social Landlords (Housing SORP 2018 Update), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Guild Care meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Guild Care meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and intra-group transactions.

These financial statements consolidate the results of the charity and its wholly owned subsidiary; Guild Care (Trading) Ltd, on a line-by-line basis. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Comprehensive Income or Cash Flows for the company itself is not presented because the charity has taken advantage of the exemptions afforded by the Companies Act 2006 and the Housing SORP.

2.2 Going concern

The group's business activities, its current financial position and factors likely to affect its future development are set out within the Trustees Report. Principal risks include the impact on the contribution generated from the homes, group's access to finance, occupancy and staffing levels within homes. The group has in place debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the group's day to day operations. The group also has a long-term business plan and a detailed rolling financial forecast which shows that Guild Care is able to service these debt facilities whilst continuing to comply with lenders' covenants for the foreseeable future (being 12 months from the date of signing the financial statements).

The group had a net current liability position at 31st March 2024 of £1,551,022 due to the scheduled re-financing of loans on 25th November 2024. The bank has provided terms to re-finance these loans which have been agreed with board. The re-financing process is expected to be completed shortly.

On this basis, the Board has concluded that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after

the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

2.3 Income

Income from residential, home care and community services are accounted for on an accruals basis. Rental income is recognised in the year in which accommodation is provided. Income received for the provision of services is recognised in the year in which the service is provided, and so Guild Care earns entitlement. Government grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Capital grants are released to the Statement of Comprehensive Income over the useful economic life of the asset they were used to purchase (excluding land).

For legacies, entitlement is recognised from the earlier of the date of receipt or when sufficient notification is received by the charity to enable it to quantify its entitlement with reasonable probability. Income is not recognised for legacies which remain subject to a life interest. Donations are recognised on receipt.

Charity shop income represents net invoiced sales of goods and is recognised in the year in which the sale occurred.

2.4 Financial instruments

Guild Care has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially reported at transaction value and subsequently measured at their settlement value.

2.5 Expenditure

Expenditure is included in the Statement of Comprehensive Income on an accruals basis inclusive of irrecoverable VAT. All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whilst all others are apportioned on an appropriate basis.

Support costs include apportioned staff and care costs incurred to support income generation and governance, together with the cost of general management including supervision, finance, training, human resources and IT. Support costs are allocated to charitable activities on a percentage basis. The percentages applied are based on management's informed view of time spent on each activity.

Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Guild Care owns three freehold nursing homes, a freehold social housing property, two day-service centres, a supported living house and five self-contained flats. Freehold land is not depreciated.

| | |
|--------------------------------|---|
| Building Structure | 1-2% straight line per annum |
| Building Roof | 2% straight line per annum |
| Building Internals | 3% straight line per annum |
| Building Services | 3% straight line per annum |
| Building External Areas | 3% straight line per annum |
| Leasehold property | Over the remaining term of lease |
| Fixtures, fittings & equipment | 20% straight line per annum |
| Motor vehicles | 25% on a reducing balance basis/20% straight line per annum |

Assets costing less than £1,000 are written off to the Statement of Comprehensive Income. Assets under construction are not depreciated until the asset is brought into use. Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year. The carrying value of assets are assessed annually for any indicators of impairment.

2.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

2.8 Investments

Listed fixed asset investments are stated at market value, unlisted investments are stated at cost. Realised and unrealised gains and losses on investments are dealt with in the Statement of Comprehensive Income.

2.9 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium-term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Short term trade creditors are measured at the transaction price. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Other

financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Pensions

The group participates in two pension schemes, the People's Pension Scheme and the Pension's Trust Growth Plan. Guild Care automatically enrolls employees into the People's Pension Scheme which is regulated by the Pensions Regulator. The Scheme is a defined contribution scheme and contributions are recognised in expenditure as they fall due. Guild Care is a member of the Pensions Trust's Growth Plan. The Growth Plan is a money purchase pension scheme which also has some historical guarantees. This is a multi-employer pension scheme for which it is not possible to identify separately the assets and liabilities of participating employers and, as such, Guild Care's regular payments in respect of this plan are charged in the Statement of Comprehensive Income on a defined contribution basis. A liability is recognised for the present value of agreed additional contributions payable to fund a deficit in this plan related to past service.

2.13 Funds

Endowment funds represent expendable endowment arising from the donation of assets and liabilities from WLDS to Guild Care. The expendable endowment can be used at the discretion of Guild Care's Trustees subject to the terms and conditions surrounding the donation. Restricted funds represent those raised or received for specified purposes, as detailed further in the notes to the accounts. Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts. Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

2.14 Related Parties Disclosure

The Parent has taken advantage in FRS102 from reporting related party transactions with its fellow Group undertakings.

2.15 Significant accounting estimates and judgements

The most significant estimates and judgements relate to the useful economic life of Guild Care's three nursing homes and a social housing property. The carrying value of assets are regularly reviewed to assess any material impairments.

There is also a degree of estimation used in the rate used to discount Guild Care's pension liability under the Pensions Trust Growth Plan. The accounting policies for the pension liability and useful life of tangible fixed assets are set out above.

There is also a degree of judgement used when considering potential future scenarios for Guild Care as part of the going concern review. Further information on management assessment of going concern can be found in the Financial Review of the Trustees report above.

3 Donations & legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|---------------------|----------------------------|--------------------------|-----------------------|-----------------|
| Donations | 86,163 | 150,241 | 236,404 | 314,258 |
| Legacies receivable | 109,344 | | 109,344 | 222,400 |
| | <u>195,507</u> | <u>150,241</u> | <u>345,748</u> | <u>536,658</u> |

4 Charity shop trading

| | 2024 £ | 2023 £ |
|-----------------------------|----------------|-----------------------|
| Charity shops income | 2,952,706 | 2,102,967 |
| Charity shop expenditure | (2,796,765) | (1,837,546) |
| Charity shop surplus | <u>155,941</u> | <u>265,421</u> |

As at 31st March 2024, Guild Care (Trading) Limited was a dormant subsidiary of Guild Care. Included in the above is £Nil (2023: £13,595) income and £Nil (2023: £15,924) expenditure in relation to the subsidiary Guild Care (Trading) Limited.

5 Income from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|--------------------|----------------------------|--------------------------|--------------------------|--------------------|
| Residential home | 15,242,750 | - | 15,242,750 | 12,677,280 |
| Home care | 973,019 | - | 973,019 | 909,246 |
| Community services | 1,715,970 | 239,748 | 1,955,718 | 1,917,547 |
| | <u>17,931,739</u> | <u>239,748</u> | <u>18,171,487</u> | <u>15,504,073</u> |

Residential home income above is derived from Guild Care's three nursing homes. Included within Community services is income from Guild Care's social housing property Dolphin Court.

| | 2024 | | | 2023 | | |
|-------------------------|----------------|-------------------------|---------------------------|---------------|-------------------------|---------------------------|
| | Turnover £ | Operating costs £ | Operating surplus £ | Turnover £ | Operating costs £ | Operating surplus £ |
| Social housing lettings | 307,909 | (574,094) | (264,771) | 296,635 | (389,948) | (93,313) |

An analysis of income and expenditure is shown in Note 23. All income other than from Dolphin Court (see Note 23) is considered to arise from activities other than social housing.

6 Total expenditure

| | Staff costs £ | Other Costs £ | Interest Charges £ | Depreciation £ | Total 2024 £ | Total 2023 £ |
|--------------------------------|-------------------|------------------|-----------------------|-------------------|-------------------|-----------------|
| Raising funds | | | | | | |
| Donations and legacies | 231,841 | 106,210 | 476 | 6,749 | 345,276 | 293,285 |
| Charity shops | 1,668,994 | 1,053,269 | 1,906 | 72,596 | 2,796,765 | 1,837,546 |
| Total cost of raising funds | 1,900,835 | 1,159,479 | 2,382 | 79,345 | 3,142,041 | 2,130,831 |
| Charitable activities | | | | | | |
| Residential services | | | | | | |
| Activities undertaken directly | 8,403,074 | 2,857,249 | 454,024 | 444,106 | 12,158,453 | 11,251,788 |
| Support costs | 820,532 | 663,098 | 16,674 | 43,691 | 1,543,995 | 1,573,946 |
| Total | 9,223,606 | 3,520,347 | 470,698 | 487,797 | 13,702,448 | 12,825,734 |
| Home care | | | | | | |
| Activities undertaken directly | 1,030,190 | 205,678 | - | 4,197 | 1,240,065 | 955,355 |
| Support costs | 106,948 | 94,036 | 2,382 | 11,434 | 214,800 | 240,180 |
| Total | 1,137,138 | 299,714 | 2,382 | 15,631 | 1,454,865 | 1,195,535 |
| Community services | | | | | | |
| Activities undertaken directly | 1,276,259 | 649,566 | - | 81,994 | 2,007,819 | 1,815,349 |
| Support costs | 131,253 | 205,127 | 2,382 | 48,482 | 387,244 | 412,662 |
| Total | 1,407,512 | 854,693 | 2,382 | 130,476 | 2,395,063 | 2,228,011 |
| Total charitable activities | 11,768,256 | 4,674,754 | 475,462 | 633,904 | 17,552,376 | 16,249,280 |
| Restructuring cost | (15,287) | - | - | - | (15,287) | 167,958 |
| Total Expenditure | 13,653,804 | 5,834,233 | 477,844 | 713,249 | 20,679,130 | 18,548,069 |

Support costs are allocated in proportion to direct costs.

7 Analysis of governance and support costs

| | Total 2024 £ | Total 2023 £ |
|------------------------|------------------|------------------|
| Management | 247,018 | 248,656 |
| Administration | 307,422 | 290,923 |
| Information Technology | 345,712 | 315,135 |
| Human Resources | 336,718 | 549,162 |
| Public Relations | 345,949 | 302,887 |
| Finance | 288,731 | 260,259 |
| Volunteers | 46,296 | 51,388 |
| Governance costs | 228,191 | 208,380 |
| | 2,146,037 | 2,226,790 |

8 Total comprehensive income / (expenditure) is stated after charging

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Operating lease payments | 402,481 | 315,088 |
| Depreciation of care homes and social housing property | 467,704 | 501,456 |
| Depreciation of other tangible fixed assets | 245,546 | 251,614 |
| Interest charges | 477,844 | 380,546 |
| Fees payable to auditors (excluding VAT) | | |
| Audit of the financial statements | 27,000 | 25,000 |

9 Trustees

During the year Trustees were reimbursed travel expenses £Nil (2023: £Nil)

10 Employees

| | Total 2024 £ | Total 2023 £ |
|-------------------------|-------------------|-------------------|
| Employment costs | | |
| Wages and salaries | 11,923,659 | 9,973,395 |
| Agency costs | 522,220 | 1,585,244 |
| Social security costs | 991,573 | 824,282 |
| Other pension costs | 231,638 | 195,218 |
| Restructuring costs | (15,287) | 167,958 |
| | 13,653,803 | 12,746,097 |

The number of employees whose annual emoluments were £60,000 or more were:

| | 2024 Number | 2023 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 11 | 5 |
| £70,001 - £80,000 | | |
| £80,001 - £90,000 | 1 | 1 |
| £90,001 - £100,000 | | 1 |
| £100,001 - £110,000 | 3 | 2 |

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the Deputy Chief Executive Officer / Chief Financial Officer.

The total employee remuneration of the key management personnel of the Charity was £255,617 (2023: £230,081).

The highest paid executive was paid £133,324. The Chief Executive Officer does not have enhanced or special pension terms.

During the year Guild Care charged redundancy costs of £7,716 (2023: £40,041) and payments in lieu of notice of £22,908 (2023: £40,906) to 3 (2023:11) people totalling to £30,624

(2023: £80,947) restructuring costs. A restructuring provision of £45,911 was released (2023: £87,011 was charged) (See Note 19). Redundancy and payment in lieu of notice of £Nil (2023: £16,326) were unpaid at 31st March 2024.

The average number of employees during the year was 567 (2023: 512) which equates to 411 FTE (2023: 381 FTE).

11 Taxation

The charitable company is registered as a Charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

12 Tangible fixed assets (Group & Charity)

| | Freehold land & buildings | Long leasehold property | Short leasehold property | Fixtures, fittings & equipment | Motor vehicles | Total |
|--------------------------------------|------------------------------|-------------------------------|--------------------------------|--------------------------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 1 April 2023 | 16,982,126 | 1,260,835 | 243,680 | 4,446,301 | 518,361 | 23,451,303 |
| Additions | 32,667 | - | - | 593,600 | - | 626,267 |
| Disposals | - | - | - | (30,502) | - | (30,502) |
| At 31st March 2024 | 17,014,793 | 1,260,835 | 243,680 | 5,009,399 | 518,361 | 24,047,068 |
| Depreciation | | | | | | |
| At 1 April 2023 | 4,003,904 | 389,397 | 182,630 | 3,886,619 | 405,755 | 8,868,305 |
| On disposals | - | - | - | (30,502) | - | (30,502) |
| Charge for the year | 343,553 | 24,335 | 48,736 | 264,448 | 32,178 | 713,250 |
| At 31st March 2024 | 4,347,457 | 413,732 | 231,366 | 4,120,565 | 437,933 | 9,551,053 |
| Net book value | | | | | | |
| At 31st March 2024 | 12,667,336 | 847,103 | 12,314 | 888,834 | 80,428 | 14,496,015 |
| At 31 st March 2023 | 12,978,222 | 871,438 | 61,050 | 559,682 | 112,606 | 14,582,998 |

The freehold land & buildings above relate to Guild Care's three nursing homes and one social housing property held for letting, Dolphin Court. The net book value of property held as security for bank loans is £11,319,828 (2023: £11,455,906)

Amounts contracted for but not provided in the financial statements amounted to £35,530 in respect of refurbishment works as at 31 March 2024.

13 Fixed asset investments

At 31st March 2023, Guild Care had the following subsidiary:

| Company | Country of Registration or incorporation | Class | Shares Held % | £ |
|------------------------------|--|----------|---------------|-----|
| Guild Care (Trading) Limited | England & Wales | Ordinary | 100 | 100 |

The turnover of the company for the period was £NIL (2023: £13,595) was attributable to the sale of bought in goods. It had expenditure of £NIL (2023: £15,924). It contributed £Nil (2023: £2,473 deficit) to the group and had net liabilities of £12,144 (2023: £12,144). Any profits of Guild Care (Trading) Limited are donated to Guild Care under gift aid. The registered office of Guild Care (Trading) Limited is the same as Guild Care. As at 31st March 2024, Guild Care (Trading) Limited is a dormant subsidiary of Guild Care.

14 Debtors

| | Charity | | Group | |
|------------------------------|------------------|------------------|------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Trade debtors - fees due | 875,483 | 974,092 | 875,483 | 974,092 |
| Amounts due from subsidiary | 29,456 | 34,544 | - | - |
| Other debtors | 192,626 | 113,977 | 192,626 | 113,977 |
| Prepayments & accrued income | 384,582 | 309,945 | 384,582 | 309,945 |
| | 1,482,147 | 1,432,558 | 1,452,691 | 1,398,014 |

Amounts due from subsidiaries represents £29,456 (2023: £34,544) due from Guild Care (Trading) Limited.

15 Bank Balances & Cash in Hand

At 31 March 2024 the charity held £101,000 (2023: £75,000) personal monies which are administered on behalf of residents have not been included in these financial statements.

16 Creditors: amounts falling due within one year

| | Charity | | Group | |
|------------------------------|------------------|------------------|------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Bank loan (note 17) | 4,263,146 | 426,294 | 4,263,146 | 426,294 |
| Trade creditors | 891,107 | 840,828 | 891,107 | 840,828 |
| Taxation and social security | 223,446 | 201,342 | 223,446 | 201,342 |
| Other creditors | 65,887 | 22,615 | 65,887 | 22,615 |
| Accruals & deferred income | 794,662 | 826,291 | 794,662 | 826,291 |
| | 6,238,248 | 2,317,370 | 6,238,248 | 2,317,370 |

17 Creditors: amounts falling due after more than one year

| | Charity | | Group | |
|------------------------|------------------|------------------|------------------|------------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Bank loans | 3,435,592 | 7,698,737 | 3,435,592 | 7,698,737 |
| Deferred capital grant | 182,671 | 212,696 | 182,671 | 212,696 |
| | 3,618,263 | 7,911,433 | 3,618,263 | 7,911,433 |

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Loan maturity analysis | | |
| Debt due in one year or less | 4,263,146 | 426,294 |
| In more than one year but not more than two years | 172,553 | 4,263,146 |
| In more than two years but not more than five years | 3,263,039 | 3,435,591 |
| | 7,698,738 | 8,125,031 |

The loans are secured by a fixed charge over the properties and by a fixed and floating charge over all the assets of Guild Care excluding the freehold property known as Dolphin Court and former WLDS properties. Interest on loans was charged at between 3.25% and 7.75%. The loans are repayable between November 2024 and March 2028.

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Deferred Capital Grant | | |
| At start of the year | 278,768 | 344,840 |
| Received during the year | - | - |
| Released during the year | (66,070) | (66,072) |
| | 212,698 | 278,768 |
| Amounts to be released in one year | 30,027 | 66,072 |
| Amounts to be released in more than one year | 182,671 | 212,696 |
| | 212,698 | 278,768 |

18 Pension liability and other post-retirement benefit commitments

Defined contribution

Following legislative changes affecting workplace pensions that required all employers to meet the legal requirement for automatic enrolment, Guild Care introduced a compliant scheme from November 2013. Eligible employees not already in the existing scheme were automatically enrolled into the People's Pension. The People's Pension scheme, which is regulated by the Pensions Regulator, is managed by B&CE. B&CE is a not-for-profit organisation which has been providing financial benefits for over 70 years and currently provides pension schemes to over 7,300 corporate clients.

Employees in the People's Pension scheme pay 5% on their salary above the minimum threshold, with Guild Care also contributing 3%. Employees automatically enrolled into the scheme have the right to opt out of the scheme if they so wish, the majority of employees enrolled in the scheme have not opted to leave.

Guild Care paid contributions of 5% for all employees who are members of Guild Care's Pension's trust Growth plan. Members paid contributions at the rate of 5% during the accounting period. Any contribution above 5% was an additional voluntary contribution. In accordance with the Recovery Plan set by The Pensions Trust, employers are required to make additional contributions over the ten years commencing in April 2013.

| | 2024 | 2023 |
|---|----------------|---------|
| | £ | £ |
| Contributions payable by the company/group for the year | 231,638 | 195,218 |

At the balance sheet date contributions of £51,283 (2023: £24,228) were outstanding.

The Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Guild Care's share of these deficit contributions from 2024 to 2025 are £12,018 per annum (payable monthly).

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

| Present value and reconciliation of opening and closing provisions | Period Ending 31st March 24 £ | Period Ending 31st March 23 £ |
|---|---|---|
| Provision at start of period | 25,236 | 39,584 |
| Unwinding of the discount factor (interest expense) | 965 | 748 |
| Deficit contribution paid | (14,422) | (14,422) |
| Remeasurements - impact of any change in assumptions | 9 | (674) |
| Remeasurements - amendments to the contribution schedule | - | - |
| Provision at end of period | 11,788 | 25,236 |

| Income and expenditure impact | Period Ending 31st March 24 £ | Period Ending 31st March 23 £ |
|--|---|---|
| Interest expense | 965 | 748 |
| Remeasurements – impact of any change in assumptions | 9 | (674) |
| Remeasurements – amendments to the contribution schedule | - | - |

| Assumptions | 31st March 24 % per annum | 31st March 23 % per annum | 31st March 22 % per annum |
|--------------------|---|---|---|
| Rate of discount | 5.31 | 5.52 | 2.35 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

During the year Guild Care contributed £14,422 (2023: £14,422) in additional contributions towards the scheme. Guild Care's estimated pension contributions for the year ended 31st March 2025 are estimated to be £12,018.

19 Provisions for liabilities

| Group and Charity | Rent | Restructure | Closure £ | Other £ | Total £ |
|--------------------------------|-------------|--------------------|----------------------|--------------------|--------------------|
| At 1 st April 2023 | 109,247 | 87,011 | - | - | 196,258 |
| Additions | - | - | 178,200 | 40,580 | 218,780 |
| Amounts charged | - | (41,100) | - | - | (41,100) |
| Unused reversed | (109,247) | (45,911) | - | - | (155,158) |
| At 31 st March 2024 | - | - | 178,200 | 40,580 | 218,780 |

The cost for rent repayable on Social Housing lettings has been provided for. The provision relates to over-billing on rents which has been notified to tenants and the Housing Regulator. This matter was resolved by 31st March 2024.

The cost for restructuring was provided for employees trialling new roles as at 31st March 2023. The outcome of these trials had been concluded by 31st March 2024.

The cost of closure provision relates to home loss payments due to tenants following the decision to cease the sheltered housing schemes.

Other provisions relate to the potential liability that may arise for under delivery of contracted performance levels on a third-party contract for services provided.

20 Movement in funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 April 2023 | Income | Expenditure | Transfers /gains and losses | Balance at 31 st March 2024 |
|---------------------------|----------------------------|-------------------|---------------------|-----------------------------------|--|
| Endowment fund | | | | | |
| WLDS Fund | 1,857,974 | - | - | (309,662) | 1,548,312 |
| Restricted funds | | | | | |
| Outreach | - | 39,302 | (39,302) | - | - |
| Healthy Living | - | 76,566 | (76,566) | - | - |
| Dementia | - | 90,000 | (90,000) | - | - |
| Children's service | - | 33,880 | (33,880) | - | - |
| Other | - | 150,241 | (150,241) | - | - |
| Total restricted | - | 389,989 | (389,989) | - | - |
| Unrestricted funds | | | | | |
| General funds | 6,354,393 | 21,173,910 | (20,289,141) | 308,688 | 7,547,850 |
| Total unrestricted | 6,354,393 | 21,173,910 | (20,289,141) | 308,688 | 7,547,850 |
| Total funds | 8,212,367 | 21,563,899 | (20,679,130) | (974) | 9,096,162 |

Transfers between funds

The WLDS Fund was established following Worthing Littlehampton & District Scope (WLDS) joining the Guild Care Group. The expendable endowment can be used at the discretion of Guild Care's Trustees subject to the terms and conditions surrounding the donation. The WLDS Fund is released to unrestricted over the 10 years following the Worthing Littlehampton & District Scope (WLDS) joining the Guild Care Group.

| | Balance at 1 April 2022 | Income | Expenditure | Transfers /gains and losses | Balance at 31 st March 2023 |
|---------------------------|----------------------------|-------------------|---------------------|-----------------------------------|--|
| Endowment fund | | | | | |
| WLDS Fund | 2,167,636 | | | (309,662) | 1,857,974 |
| Restricted funds | | | | | |
| Residential home | - | (1,765) | 1,765 | | - |
| Outreach | - | 41,726 | (41,726) | | - |
| Healthy Living | - | 136,265 | (136,265) | | - |
| Dementia | - | 86,129 | (86,129) | | - |
| Children's service | - | 47,761 | (47,761) | | - |
| Minibus | - | 50,000 | - | (50,000) | - |
| Other | - | 156,080 | (156,080) | | - |
| Total restricted | - | 516,196 | (466,196) | (50,000) | - |
| Unrestricted funds | | | | | |
| General funds | 6,391,428 | 17,685,250 | (18,081,873) | 359,588 | 6,354,393 |
| Total unrestricted | 6,391,428 | 17,685,250 | (18,081,873) | 359,588 | 6,354,393 |
| Total funds | 8,559,064 | 18,201,446 | (18,548,069) | (74) | 8,212,367 |

21 Analysis of net assets between funds

Fund balances at 31st March 2024 were represented by:

| | Unrestricted funds £ | Restricted funds £ | Endowment £ | Total £ |
|------------------------------------|-------------------------|-----------------------|------------------|-------------------------|
| Tangible fixed assets | 12,947,703 | | 1,548,312 | 14,496,015 |
| Net current assets | (1,567,522) | 16,500 | - | (1,551,022) |
| Long-term creditors and provisions | (3,832,331) | (16,500) | - | (3,848,831) |
| | <u>7,547,850</u> | <u>-</u> | <u>1,548,312</u> | <u>9,096,162</u> |

Fund balances at 31st March 2023 were represented by:

| | Unrestricted funds £ | Restricted funds £ | Endowment £ | Total £ |
|------------------------------------|-------------------------|-----------------------|------------------|-------------------------|
| Tangible fixed assets | 12,725,024 | - | 1,857,974 | 14,582,998 |
| Net current assets | 1,748,296 | 14,000 | - | 1,762,296 |
| Long-term creditors and provisions | (8,118,927) | (14,000) | - | (8,132,927) |
| | <u>6,354,393</u> | <u>-</u> | <u>1,857,974</u> | <u>8,212,367</u> |

22 Commitments under operating leases

Charity and group

At 31st March 2024 the charity had total minimum lease commitments under no-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|----------------------------|--------------------|------------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | | £ | £ | £ |
| Within one year | 417,892 | 261,915 | 47,740 | 63,424 |
| Between one and five years | 814,836 | 590,269 | 59,509 | 82,432 |
| In over five years | 489,149 | 540,925 | - | - |
| | 1,721,877 | 1,393,109 | 107,249 | 145,856 |

23 Dolphin Court Flatlets – Social Housing Income and Expenditure

Guild Care operates 31 flats on a supported living basis which Guild Care consider to be social housing for the purposes of the Housing SORP.

| | 2024 | 2023 |
|--------------------------------------|------------------|-----------------|
| | £ | £ |
| Rent receivable | 150,473 | 172,668 |
| Services charge income | 139,424 | 105,955 |
| Amortisation of grant | 18,012 | 18,012 |
| Net rents receivable | 307,909 | 296,635 |
| Expenditure on lettings | | |
| Services and management | 498,472 | 333,905 |
| Maintenance and repairs | 39,435 | 22,313 |
| Depreciation | 34,773 | 33,730 |
| Total expenditure on lettings | 572,680 | 389,948 |
| Operating surplus on lettings | (264,771) | (93,313) |
| Void losses | 56,695 | 2,004 |

Social Housing Assets

The historic cost of Dolphin Court at 31st March 2024 was £1,528,619 (2023: £1,528,619), the net book value of Dolphin Court at 31st March 2024 was £245,012 (2023: £270,138).

The total of social housing rent arrears is £7,949 (2023: £1,387). Included within deferred income is £Nil (2023: £1,359) of rent in advance for social housing properties.

24 Related Parties

There were no related party transactions requiring disclosure that occurred in the year.

25 Balance sheet events after the reporting date

There are no balance sheet events after the reporting date to disclose that could materially affect the financial statements.